

STATE OF HAWAII
NOTICE OF AND REQUEST FOR EXEMPTION
FROM CHAPTER 103F, HRS

14 SEP -5 P1:37

To: Chief Procurement Officer

From: Department of Health, Adult Mental Health Division
Department/Division/Branch or Office

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Pursuant to § 103F-101(a)(4), HRS, and Chapter 3-141, HAR, the Department requests a procurement exemption to purchase the following:

1. Title and description of health and human service(s):	
Expanded Adult Residential Care Home (E-ARCH) services for patients currently at the Hawaii State Hospital (HSH) and other appropriate consumers who have been determined to not require a hospital level of care. E-ARCH is a category of adult residential care home that is qualified to serve nursing facility level residents.	
2. Provider Name and Address:	Various licensed E-ARCH facilities
3. Total Contract Funds:	\$6,507,000 (estimated)
Contract Funds per Year (if applicable):	Year 1: \$3,545,000 Year 2: \$2,962,000
4. Reference number of Previous Request for this Service (if applicable):	PEH No. 13-11
5. Term of Contract:	Start: 01/01/15 End: 10/31/16
6. Describe how procurement by competitive means is either not practicable or not advantageous to the State:	
<p>A shortage of specialized treatment resources in the community for HSH patients who no longer require hospitalization, continues to be a critical problem. Adult Mental Health Division (AMHD) consumers residing in other community settings may also benefit by E-ARCH placement.</p> <p>Currently, there are more than 261 licensed facilities that are capable of providing E-ARCH services in the community. AMHD seeks an exemption to continue to be able to contract with any licensed E-ARCH provider who is interested in providing services for discharged HSH patients and other AMHD consumers who might be appropriate for E-ARCH placement.</p> <p>Competitive procurement is neither practical nor advantageous to the State because AMHD would like to contract with any and all licensed E-ARCH providers who are interested in providing services for adults with severe and persistent mental illness. The AMHD proposes to provide services to 61 consumers in Year 1 and 65 consumers in Year 2. The cost per consumer may fluctuate, depending on each consumer's needs. There are 3 levels of care in the rate schedule. Each level is paid per day, per consumer: Level 1 is \$131.51; Level 2 is \$147.95; and Level 3 is \$164.38. Individual placement decisions will be made on a patient-by-patient basis, based on criteria described below.</p>	

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7. Describe the reason for the selection of the provider including a description of how the procedure ensured the maximum fair and open competition practicable:

The Department of Health's Office of Health Care Assurance licenses E-ARCH providers. Any individual that meets the minimum qualifications can apply to be a licensed E-ARCH provider.

AMHD staff conducts continuous outreach to all licensed E-ARCH providers to keep them aware of AMHD's interest in placing its consumers in their facility and to identify placement opportunities for specific, appropriate consumers. The AMHD will maintain and update a list of E-ARCH providers interested in accepting AMHD consumers. When an individual is ready for discharge from HSH, HSH's clinical staff will determine which E-ARCH facility is most appropriate based on 1) bed availability; 2) geographical location including proximity to the patient's family and community supports; 3) the match between a particular patient's needs and other residents of the E-ARCH; and 4) the on-site assessment of placement appropriateness in the judgment of the patient and the E-ARCH staff. The same criteria will be used by other AMHD clinical staff for those consumers who are not HSH patients but are considered appropriate for E-ARCH placement.

Clinical staff at HSH and AMHD, in accordance with specific criteria, will determine placement of individual patients. The AMHD Utilization Management unit will authorize all placements.

8. Describe the state agency's internal controls and approval requirements for the exempted procurement:

AMHD will contract with any and all interested licensed E-ARCH provider during the period of the exemption. Clinical staff at HSH and AMHD, in accordance with specific criteria, will determine placement of individual patients. The AMHD Utilization Management unit will authorize all placements.

9. List the state agency personnel, by position title, who will be involved in the approval process and administration of the contract:

Amy Yamaguchi, AMHD Public Health Administrative Officer (PHAO)
Enid Kagesa, AMHD Contracts Coordinator

10. Direct questions to (name & position):


Phone number:

Amy Yamaguchi, PHAO
808-586-4681

e-mail address:

amy.yamaguchi@doh.hawaii.gov

I certify that the information provided above is to the best of my knowledge true and correct.



Department Head Signature
Linda Rosen, M.D., M.P.H.

Typed Name

9/4/14

Date

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NOTICE

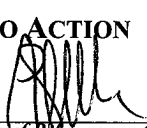
The chief procurement officer is considering this request for exemption and, if there is good cause, the state intends to exempt the purchase as described in the request. Any inquiries regarding the purchase shall be directed to the contact person noted in item 10 of the request. Any concerns regarding the exemption shall be in writing and received by the chief procurement officer within seven days of the date the notice was first posted. Concerns shall be mailed to: Chief Procurement Officer, State Procurement Office, 1151 Punchbowl St., #230A, Honolulu, HI 96813.

FOR CHIEF PROCUREMENT OFFICER USE ONLY

Chief Procurement Officer's Comments:

This approval is for the procurement process only. Service provider is required to be compliant with applicable laws, and verified on the Hawaii Compliance Express, if applicable. This award is required to be posted on the Awards Reporting System. If there are any questions, please contact Corinne Higa at 587-4706, or corinne.y.higa@hawaii.gov.

☒ **APPROVED** ☐ **DISAPPROVED** ☐ **NO ACTION**



Chief Procurement Officer Signature

10/7/14

Date

Please ensure adherence to applicable administrative requirements.